

COMMISSIONS FOR GOVERNMENT UNDERTAKINGS, ETC.

for the discussion of such resolutions.

(c) Committees in existence on the date these rules come into force shall continue to function as if constituted under these rules but their duration shall be the duration which they would have had if these rules had not come into force.

(d) All other items of business of which notice has been given and is pending on the day that these rules come into force shall be treated as if such notice had been given under these rules.

(e) The Speaker shall have power for the current session to make such modifications and adaptations in these rules as are necessary for any transitional difficulties that might arise in the application of these rules during the current session.

Explanation — The expression 'current session' shall mean the session that has commenced on the 29th October 1958."

The motion was adopted.

NON-OFFICIAL RESOLUTIONS

No. 1.—Constitution of Permanent Commissions to scrutinise various Government Undertakings and Projects.

Sri G. VENKATAI GOWDA (Palaiyam).—Sir, I beg to move:

"That this Assembly is of the opinion that permanent commissions of enquiry and investigation consisting of the members of the Legislature and the public be constituted to watch, scrutinise and assess the working of various Government undertakings and projects."

Mr SPEAKER.—Resolution moved.

"That this Assembly is of the opinion that permanent commissions of enquiry and investigation consisting of the members of the

Legislature and the public be constituted to watch, scrutinise and assess the working of various Government undertakings and projects."

There is an amendment; it may also be moved.

Sri V. P. DEENADAYALU NAIDU (Cobbonpet).—Sir, I beg to move:

(i) Omit the word "permanent" in line (1).

(ii) In line 2 between the words "investigation" and "consisting" insert "as and when necessary."

Mr. SPEAKER.—I would like to make a slight correction. I will read it with the correction:

(i) Omit the word "permanent" in line 1.

(ii) In line 3 after the word "constituted", insert the words "as and when necessary".

Sri G. VENKATAI GOWDA.—Mr. Speaker, Sir, I owe a debt of gratitude to you for letting me have in this House the privilege of moving the first non-official resolution today. A detailed thesis or an elaborate argument is not necessary. I believe that several members of both the Houses of this Legislature have often made relevant remarks either during the Budget or on the Motion of Thanks touching on the points that I am seeking to raise. First of all I will explain what is meant by various Government undertakings. We should not limit the meaning of this expression Government undertakings, only to mean those undertakings which yield an income or some profit to the Government. What I mean is that all those activities directed towards the establishment of a welfare state, all those activities that are directed for securing social and economic justice should come within the meaning of the words 'Government undertakings'. It should be borne in mind that the Government is not functioning simply for securing the maintenance of law and order or for the enforcement of contracts, i.e., the Government is not simply to hold the

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reins of power. Its functions have become positive. It has become the welfare state. It has taken upon its shoulders the duties and responsibilities which a century ago was undreamt of. It has become the owner of major projects. It has become the employer, in the real sense, and an administrator too. I submit that all these activities come within the meaning of Government undertakings. Having explained that I venture to submit that there are several compartments so far as these activities are concerned. There are several industrial concerns under the management of Government. The accredited leaders of society have brought to the notice of the Government that these industrial concerns have not been working satisfactorily and not bringing profits required of them. The object with which these concerns are started is not only to bring profits, but also, to bring a sort of industrial-mindedness. But that is not there. Industrial-mindedness is not inculcated. Necessary training is not provided. Also the quality of the article that is being manufactured in these concerns has become very low.

5 P.M.

In the Budget Estimates, we find as many as 19 industrial concerns coming under the head 'Industries and Supplies'. We have also seen that huge sums of money are being spent as working expenses and if you compare and see the difference between the working expenses with the revenue derived therefrom, according to the figures of 1957-58, it would be a crore of rupees which according to the Government would be the profit that is being realised out of these concerns. But I should say, Sir, that it cannot be treated as profit for the reasons that I am going to assign now. Even the Road Transport could be brought into this category. If we take into consideration the huge investments we are making, one can see whether we are realising any profit, or whether the object with which the industrial concerns are started is being served. My submission is that the capital

outlay of 5 crores of rupees was earmarked to be spent. One crore of rupees was earmarked for developmental activity. Rs. 60,000 was provided for cottage industries. If you take into consideration all these amounts, the outlay comes to nearly 100 crores. Seeing this huge amount, shall we say that we are really earning any profit? In respect of some of these industrial concerns, no doubt expenditure on salaries of officers and establishment is given which amounts to 10,000 to 15,000. We are not posted with information in respect of much of these industrial concerns. I would like to bring to the notice of the House an observation that Dr. Deshmukh has once made about these concerns :

"The people have not been able to develop an industrial mind; products are very bad. Production is slow; articles manufactured in these concerns do not find the necessary market either. If the Government is keen on running the industries on sound lines, they must pay attention to all factors. Greater production to increase the profit earning capacity. It is these factors that the framers of the First and Second Five-Year Plan aimed at and it is these factors that Government has got to take into consideration and work accordingly."

Sir, if you look at this picture, it will give us a very gloomy and sorrowful picture. It may be contended by the Government that some concerns are yielding profit. But I should like to invite the attention of the House to the position. Supposing a private individual had managed these concerns, what would have been the position? That aspect of the case has got to be considered. In a welfare society in India, necessary articles required for daily life are required and there is the other aspect. The State has to be industrialised. That aspect should also be borne in mind. That is lacking.

In respect of the Porcelain Factory, one of the former Dewans of Mysore has given a valuable suggestion. He said that that to the ceramic section in the

Procelain Factory much importance, or primary importance should not be given and more than Rs. 50,000 should not be invested upon that section. In spite of that, what is happening today? What we are seeing is that Government is doing just the contrary of what was suggested and they are giving primary importance and investing more money than has been suggested. And what of the articles that are produced in that factory? They are not considered to be satisfactory either in quality or in price nor have they any utility value. They are not even good to look at. I am told, Sir, that out of 100 insulators that are prepared in this factory and sent to the Indian Institute of Science for test, not one comes out successful. Such being the case, we have to see what is the benefit that accrues to the common man from factories of this type. Therefore, it is imperative to see that a commission, as I have contemplated in the resolution, should be constituted to scrutinise the work and to create a healthy atmosphere. Sir, Government could have probed into this matter and found out the reasons. In fact, as I could see, only wrong men are placed in positions in these industries. Of course, I do not attribute motives to this Government or that Government. But the facts remaining as they are, I should say that care has not been taken in appointing proper persons to these concerns. Because from the people who have no experience, without any knowledge of the work that they are entrusted with, what can you expect? People without any administrative alertness are being appointed and it has resulted in this sorry state of affairs. So, it should be borne in mind that so long as you do not appoint people of substance, people of integrity and sincerity, people who deal with things or things as they would have done if they had been dealing with private concerns, such men should be in charge of these concerns.

In the Soap Factory till some years ago, a few people used to be taken in for training and after training those people used to go to villages and eke out their livelihood out of that training, and indirectly it was resulting in the

advance of village industries. But now-a-days, I am told it has been stopped and I do not know the reason why that practice was put an end to. Unless, you instil a spirit of industrial-mindedness among our people and unless you provide these young men of our State this sort of training in industries, I cannot understand how you can ever put this State on the industrial map of India, and expand village industries.

The Mysore Finance Enquiry Committee Sir, with Mr. Madhava Rau as Chairman, has made valuable suggestion and it has not been implemented. In fact, they have expressed surprise at the way in which these undertakings are not serving the objectives with which they were started. They are not bringing the required profits as in other commercial undertakings. On page 78, Sri Kastur Bhai Lal Bhai has given valuable suggestion and he says:

“It will also be advisable to have accounts compiled for each section separately on a commercial basis so that a clear picture of the financial results could be obtained and measures may be adopted to bring about economies and reduce expenditure to the utmost extent practicable. The sooner this is done, the better.”

He has also made other useful suggestions to the effect that Government has not been able to carry out any of the several promises that were made by the Government and Government are not in the habit of furnishing accounts separately in respect of each concern—its assets and liabilities and the profits or losses it is making. Unless these balance sheets for each industrial concern or undertaking is placed before this House, we the members of this House as representatives of the people will not be in a position to make any useful suggestions.

Mr. Kastur Bhai Lal Bhai further says:

“The crockery section has been working at a loss of about Rs. 35,000 per year which is attributed by the management to want of proper Selling arrangements.”

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The Taxation Enquiry Commission, 1953-54, in Volume I say at page 206 :

“The annual reports on the working of public enterprises together with the budgets and audited accounts even of those departmentally managed should be laid before the legislature and published with reasonable despatch. It is important from many points of view not excluding the fiscal, that the search-light of enlightened public opinion should be thrown on the operations of Government undertakings especially in a country where it is a part of public policy to extend and develop the public sector in the economy.”

[MR. DEPUTY SPEAKER in the Chair]

Sir, the very same view has been expressed by Sri A. D. Gorwala when he was asked by the Government of India to look into the efficient conduct of State enterprise. In an examination of the Indian administration submitted by Mr. Appleby, he also made several useful suggestions which I am afraid that the Government has not taken any care to look into. He has stated that industrial undertakings should be run on business methods and the people should have clear picture of that. Therefore my submission is, we have got to post proper men to proper places. The Government should think of an expert who is capable of dealing with all this. We have seen instances wherein a person posted to a particular place is a misfit. If such things are allowed to continue, we cannot imagine what would happen to all our industries.

There are several concerns in which the Government have shares. I do not know whether the Government is getting any dividends in respect of those shares. For instance the Government have got shares in the Mysore Spun Silk Mills. I am told that hitherto no dividend is being given to the shareholders and now I learn that the Board of Management has come forward to offer the mills on lease to some private body and that a gentleman has offered to take it on lease for two lakhs of rupees. Let us imagine the position

of a company which is not capable of declaring dividends to its shareholders offers the same for lease and a private person comes forward to take it. We can imagine very well that the person is confident of its success. It would be a conclusive proof that that company could have made profit all these years. If the company had worked at loss no person would have offered to take it. So, this gives the clue that there is mismanagement, which the Government should deeply think over. The Government should look into all these and probe into the matter. Like that there are so many companies. I would not say that the representatives or persons who are representing the Government on the several companies are discharging their duties properly. That is the suspicion to which we have been driven. Even Sri A. D. Gorwala in his report on industries says :

“The Mysore Government has shares in 24 private industrial companies. It has also subscribed capital to the extent of 80 lakhs to ventures of a co-operative nature. Some of the companies pay a handsome dividend (investment 44.34 lakhs, number 13); some pay some kind of dividend (investment 36.75 lakhs, number 3); and some do not pay any dividend at all (investment 66.68 lakhs, number 8). Among these last is Hindustan Aircraft Ltd., in which 60.08 lakhs have been invested. 31.25 lakhs are also invested in Indian Telephone Industries. . . .”

Sri C. M. ARUMUGHAM (Kolar Gold Fields).—On a point of order. My friend is reading the report of Mr. Gorwala. That report has been placed for discussion and some date has also been fixed. Is it open to the member to quote the report at this stage?

MR. DEPUTY SPEAKER.—He may casually quote it.

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“...another Government of India concern, which for the first time paid a dividend of 2½ per cent last year. In February 1955, the

Government of India Communications Minister in his letter No. 9-TP(2)-52-Pt. I, dated 2nd, 3rd February 1955, said 'If the Mysore Government so desire, I am prepared to consider the question of paying back their investment in the Indian Telephone Industries Ltd., at par'. This suggestion should be accepted and in addition the Government of Mysore should also ask for the return of capital in Hindustan Aircraft, Ltd. The 91.38 lakhs so received could be used for assistance to the industries owned by the Mysore Government, more especially since the Government of India has stated that it will not be prepared to give any assistance to undertakings managed departmentally unless they are incorporated under one or the other of several enactments or the Companies Act. . . .

* * *

Nor despite the high yields of the other concerns is the overall management truly efficient. This is in a way inevitable. Even apart from personal factors, the organisation is defective. A Board of Management for the Iron and Steel Works, another Board of Management for other industrial concerns, both with the Industries Minister as Chairman and several officials and legislators as members can scarcely provide the flexibility, judgment, detachment from politics, and initiative in action that are necessary for successful management.

One autonomous Board of experienced non-officials set up by statute would be a solution "

For that purpose my submission is for constituting a commission as contemplated in the resolution by taking in the members of the public and the Legislature who can probe into the matter, watch and scrutinise the various works. Even in respect of labour, they are not satisfied. There is discontentment. The courtesy shown by one industry is not shown by the other. Now recently the Government

enhanced the wages of employees in the Filatures. That benefit has not been extended to silk filatures. I do not know why the Government did not make up their mind to extend the same benefits to other workers also. My observations on these industrial concerns apply equally to all the welfare activities. Are you seeing that the amounts given to the hostels of Backward Class or Scheduled Caste people by way of grant or subsidy are being used to the full satisfaction of the Government? We are hearing rather sad stories that in the name of backward communities some people take advantage of these advantages. The Government have closed their eyes to these matters. Therefore, I submit that in all the welfare activities there must be an atmosphere created wherein people who are put in charge of these activities should be made alert and should be sensitive to the duties with which they are entrusted. That is totally absent. Therefore, I have suggested the constitution of these committees which would do good.

So far as the Second Five-Year Plan is concerned, we have seen how far during the first two years the Government have been able to successfully implement the various schemes contemplated by it. Even the amounts earmarked were not fully spent. We are hearing Government raising the plea that because of administrative and other inconveniences that came in the way as a result of the States Reorganisation these amounts could not be spent. Spending money is not the only criterion. My submission is whether any substantial work has been turned out during the first two years. That report has not been supplied to us. Have you successfully implemented all the schemes which you claim to have so done? How far has benefit accrued to the people at large? That is not made known to us. Even in respect of the third year of the Second Five-Year Plan you have reduced the target to Rs. 25 crores. I have got my own doubts whether you will be able to reach even that figure. The time has now come to consider the reasons for delays and the difficulties

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that are hampering our State's progress. Why is it that a State like Madras is able to fulfil all the Plan targets? How is it able to attain self-sufficiency in food? As a matter of fact, three or four years back it was a deficit State. It has also been able to increase power production remarkably and consequently has expanded its industries. It is also contemplating to implement big schemes in the Third Five-Year Plan. When such is the case, I do not understand why our State lags behind. The people of Mysore are embittered and frustrated because Mysore has got many advantages, it has got enterprising people and still we are seeing a gloomy picture. I take this opportunity to say that the shortfall in the first two years is directly due to the poisonous atmosphere created by internal bickerings, party feuds and group rivalries which have resulted in a state of dangerous factionalism hampering our State's progress. Unless these things are removed, unless the administrative morale is built up and public co-operation and confidence are secured, I do not think that we would be able to achieve anything. Therefore, the only alternative now is to create confidence in the public. You should be open-minded. Every man in the street must know what Government is doing. He should have access to see whether the Government is doing things towards the betterment of the man-in-the-street. Unless that atmosphere is created, I am very much doubtful whether we can call ourselves as people belonging to a progressive State and whether we can move towards the goal of a Welfare State.

We need not be perturbed or worried about the increase in the number of officials because that is inevitable. But what is lost sight of is that the new set-up is made to work in the old framework. That is the reason why we are not moving forward. Therefore, my submission is that whatever policy the legislature lays down should be implemented by Government. Our responsibility is not only to lay down

policies, but we should also see that they are properly implemented. We have to see whether any good would accrue to the State by implementing them. The Government say that they are the watch and ward of the policies we lay down. No doubt, we admit it, but my submission is that it is better that the committee I have suggested has supervisory work so that the persons in charge of carrying out development activities will be made sensitive to their duties and they will work properly. That kind of atmosphere can be created only by giving power to these committees to probe into these matters as and when it becomes necessary. It might be contended that we have got other remedies open to us. It might be contended that we have got opportunities to criticise, review or expose any pitfalls of the Government. No doubt, we have got opportunities. Recently, we heard about the Mundhra affair. A committee of investigation was constituted after the scandal was exposed. Should we wait till after a scandal is exposed only to betray our colossal inability to nip it in the bud? Would it not be fair and proper to take steps to prevent them at an early stage if an opportunity is available? Should we wait till after a scandal is exposed to take steps? It is better to have such committees in order to nip such things in the bud. Do we not know that prevention is better than cure? It is with these objects that I have moved this resolution. I am saying all these things in the interests of the State and I want the House to appreciate the spirit with which this resolution has been brought forward.

The present structure of Government machinery is such that the members have hardly any opportunity to know what is happening inside. We can only get information through rumours or hearsay. It is a closed house to which we have no access. Therefore, giving an opportunity to members by constituting these committees and allowing them to watch, scrutinise and assess the Governmental activities will do more good than is contemplated by this resolution. For all these reasons, the only remedy is the constitution of

this commission with powers to visit any undertaking, to examine its working, interview the employees, record their statements, assess the work, suggest ways and means of removing difficulties in the way of smooth working and submit a report for speedy action by Government. I sincerely believe that this will result in more good than any other device that the Government can think of. The House will have to dispassionately consider this resolution which will bring good to the State.

5-30 P.M.

Whether it would make officers alert in discharging their duties or not, it would create an atmosphere wherein people could feel secure, and have confidence; otherwise you will not be able to remove the apprehensions in the minds of the people. My submission is that by accepting this resolution it will facilitate apprehensions being removed from the minds of the people at present. Because, after the advent of freedom we have been hearing about the very bad state of affairs prevailing in Government Concerns and it should not be allowed to be present in the minds of the people. In order to remove those apprehensions and also tone up the general administration it is better to have people of restraint and responsibility put as members of this commission to probe into these matters. There are very many accusations regarding industrial concerns, especially Government ones, that the people who are in charge of them never think that they are servants and that they have been kept there in public interest, in the interest of the State and public funds. As I could see here a majority of the section of the people are thinking bad of the administration and therefore it is much better to create an atmosphere by constituting this Commission which would, to my knowledge and I necessarily believe, facilitate all these things; therefore I earnestly request the Hon'ble Minister to consider this aspect of the case. There is nothing involved here; only constituting a Commission consisting of people about whom the public have a good opinion and Legislators who have got restraint and

responsibility, and who know things very well, to probe into these things. If the officers or the people in charge of these concerns come to know that there are persons who are to enquire into these things, that atmosphere itself will be enough for us to do some good in the interest of the State. Bearing this in mind I suggest that this resolution has to be accepted either in the original form or in the modified form so that it may be implemented in the interests of the advancement of the State and also the establishment of a socialistic pattern of society which is our legitimate goal.

Thank you.

Sri V. P. DEENADAYALU NAIDU (Cubbonpet).—Mr. Speaker, this resolution reminds me of a case where there was defalcation to the extent of one lakh and a quarter and to detect that, another lakh and a quarter was spent. This is the state of affairs. Therefore what is the ultimate aim and goal of the whole thing? Undoubtedly, whether the case comes to light or not, the State will have to lose another lakh and a quarter out of the valuable revenues of the State. I want to know whether permanent commissions should be constituted for various industries for all times so long as these industries continue or whether we should have them on occasions when it is necessary to constitute such commissions. Unfortunately this resolution results in certain confused opinions.

Sri G. VENKATAGOWDA.—I am accepting his amendment.

Sri V. P. DEENADAYALU NAIDU.—I will say what is the implication of accepting this resolution. He is very anxious to accept a modified resolution. The amendment that I have proposed is to delete the word 'permanent.' The idea is not to have commissions unless there is a vital necessity and I have also suggested that the enquiry commission consisting of members of the Legislature and of the public be constituted only as and when necessary to watch, scrutinise and assess the working of the various Government undertakings and projects. We are living in days of Boards and Corporations. Last time this question came

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up before this august House. Industrial Finance Corporation for running industries was also in a form accepted by Government just on the lines of Finance Corporation. This was another Corporation that was also thought of. I remember this distinctly because in an answer to my question, they said they were contemplating to constitute a Corporation. It is a matter of time.

Sri J. B. MALLARADHYA (Nanjangud).—I do not think Government accepted that position at all. It is only in respect of Bhadravati Iron Works. When I raised a question whether the Government contemplated the setting up of a Statutory Board or an autonomous Corporation for the Bhadravati Iron and Steel Works, Government said that the matter was under consideration but not for the Industries. In the last session Government never agreed for it.

SRI V. P. DEENADAYALU NAIDU.—I say that for this reason. Now about the ideas of management and by whom—the very process of thinking has changed. I remember our Hon'ble Chief Minister once presided at the Institute of Science where certain training is given for the men of management. It is not the same type of Directors that can continue any longer. With the progressive notion of Second Plan, new industries are coming up and we have persons who can guide these industrial concerns. There are people who are trained for that purpose, people of very highly technical and scientific qualifications. In spite of all that today it is an acknowledged fact that the industries are in a very bad position. For example today a person is in the Soap Factory; tomorrow he is put in the Porcelain Factory; then he is put in charge of cottage industries. It is also the common experience that the State sends out certain persons for higher education to foreign countries and gets them trained in a particular direction. What is it that they do immediately they return to India? Put them somewhere where they are not fitted or suited. I am just referring to this because it has been

the practice of the State to send out certain trained personnel and the moment they come back they are put in altogether a different field of activity. Is it to enrich the State industries or revenues or is it in the interests of those persons whom you have sent? These are some of the matters on which we will have to think and definite policies have to be arrived at by the State. My friend Sri Venkatai Gowda correctly pointed out, at least in some respects, why is it the moment the State takes over certain concerns the efficiency falls. So long as certain enterprises, remunerative enterprises are in the hands of private sector they get on well, there is efficiency towards earning; but the moment the State takes them over—at least the feeling is there and my friend Sri Venkatai Gowda gave expression to it—efficiency falls. In some cases it may be correct. But it is not true in all cases. It is not because that the Government's vigilance is lacking. It is more often that we have too much of vigilance and we are unable to do much of the work. My friend has suggested permanent commissions. Permanent commissions may be good for some period and at some time. But could we have a permanent constitution of legislators and public men? Here I would like to draw a clear distinction. The purpose and functions of this legislature and even the public who are included in a commission of that type should not go beyond laying down policies. That is the object at present. But the object is not for all years. Sri Venkatai Gowda knows thoroughly well that Mysore State has been the pioneer in the matter of all industries. There are many industries which have a board or committee now to manage them. Even in their cases, we are hearing allegations. By setting up such boards my friend is thinking of setting right certain irregularities and making the concerns more profitable. But I would like to point out that in spite of having certain commissions, the result is inefficiency and we have cases where industries could not prosper. Therefore, I feel setting up of commissions will be no remedy. Far-

ther, I am doubtful whether it would be possible for mere legislators and certain public men, being constituted as a body to sit, watch and scrutinise and assess the working of various Government undertakings. Can these people go on watching day-to-day those particular institutions to the benefit of the industries? Will such an institution work at all is my point? We have certain heads of departments. They are the executive. We have to lay down the policy and they have to work it out. The Government of India is thinking of putting technical people for management of industries. Just now, I referred to what was inaugurated by the Chief Minister. The purpose of the institution is to provide highly technical people and train people to manage particular industries. That is the idea of the Government of India. That is a very laudable idea. If it is worked out, it will erase certain deficiencies that are prevailing today. As I mentioned, people of experience are available. Sri Mallaradhya mentioned about the Department of Public Instruction. He said that an I.C.S. man is better to run the Department than one from the Department itself. He thinks that a person who is not in the Department as a person better than the one in the Department to manage the Department. The matter is of great controversy. However, I do not think we can adopt this principle in an industry. The Government of India have come to the conclusion that we must have very highly skilled and trained peoples. They are of the opinion that person, who may be able to manage, however highly placed they are, should be given training. When that is the case, can we think of a handful of public men and legislators managing the industries and working out the projects to their successful end?

We are now thinking of starting new industries and taking up new projects. I am fully conscious of the existing industries which Government is undertaking to upgrade. For instance the Bhadravati Iron and Steel Factory, the Soap Factory at Bangalore, the Porcelain Factory and so on. But I caution that mere throwing of money to

upgrade these industries is not the only thing needed.

The aim of the present resolution is not only to tune up the administration of the industries but also to see how best every industry could be made a utility concern, and in its train to bring more money. Recently the United States Trade Commission visited this place. Most of our members had contact with them. The impression that I gathered is this. The quality of production of our industries will have to be of a very high order if we have to find suitable markets, not only internally but abroad also. This should be an all-India policy, i.e., the quality of the production should be upgraded. There is no use of throwing away crores of rupees. All the money put on these industries will be well spent if we undertake to develop these industries in a more technical and scientific manner, having qualified personnel to manage the industries. It will be better than having permanent commissions. Indirectly, I am putting it to Sri Venkatai Gowda that I am now in favour of the resolution as it stands. But when it would be necessary to have a commission, I will say later, and how it should be worked and so on. However, for the present, I would remind you that the Government of India is thinking of staffing these industries with trained personnel to run the industries. It is a way of upgrading these industries.

But at the same time, I would very humbly place it before the Hon'ble Chief Minister that we must tune up the existing industries, and bring them into very high level of efficiency and see that the old and out-moded methods of production are re-organised under a new scheme of scientific approach and scientific development.

SRI M. C. NARASIMHAN—Is it not being done now?

SRI V. P. DEENADAYALU NAIDU.—I am not satisfied with the quality of production at present. If you want to improve it, you will have to approach it in that light and you will have to think on new lines. For that it may not be possible if you have legislators and public men, but you must have

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men who are devoted to that particular trade and that particular industry.

I have been very carefully listening to the observations made by Sri Venkatai Gowda with regard to the administration report of Sri Gorwala. I would like to see where he makes mention of a permanent commission. The word 'permanent' makes all the difference. A commission temporarily constituted with a specific purpose is something different from having a permanent commission for all time. Therefore, it would not be proper to say that a permanent commission should be constituted. I do not find anywhere that Gorwala refers to a permanent commission. No doubt, he refers to a board of management. He says:

"an autonomous board would be a permanent solution."

The Cabinet is there to take policy decisions and there is the Department to conduct its day-to-day activities. In some cases, where it was found necessary, for instance the Gold Mining undertaking, there you have a board of management. Where it is absolutely necessary, you do have it. A permanent commission is a method by which you only hamper the working of institutions. Now you will have to leave it entirely in the hands of scientific, highly qualified and technical personnel. In all these instances, you are thinking in terms of scientific approach. Instead of having a board of management with trained and seasoned personnel, would it be proper to have a permanent commission of legislators? My respectful submission is that it is not going to be helpful.

SRI M. C. NARASIMHAN (Kolar Gold Fields).—Legislators themselves may not be permanent.

SRI V. P. DEENADAYALU NAIDU.—That is different. Therefore, Sir, the spirit of the resolution somehow seems to be different from the modern approach for the development of these industries.

SRI M. C. NARASIMHAN.—May I know what is meant by modern approach?

SRI V. P. DEENADAYALU NAIDU.—I will tell you. Suppose Sri Mallikarjuna-

swamy is placed in charge of an industry as director . . .

SRI J. B. MALLARADHYA.—He will do excellently well!

SRI V. P. DEENADAYALU NAIDU.—When he undergoes a particular training and when he is placed in charge of an industry, he can. There is nothing very strange. It is an idea which has been there and people are undergoing training. Therefore, what is the type of approach that we are making these days is not the same as when our industries were started. What is the magnitude of our industries? It is something different from what we are thinking in these days of planned economy. But there is one factor which I would like to bring to your notice. This is a matter on which I think you will have to make a very dynamic approach. Mere succumbing meekly and in some cases very badly also, to the dictation of the Centre who may not be so very conscious of the local conditions and circumstances. Industries develop not merely at the direction of the Centre, but also on the way in which we can approach the problem taking the local circumstances into consideration and on the very broad principles it may be necessary to take directions from the Centre. But on very fundamental things, I think we have got a right to agree. What happened to the raw-film industry? I am sure my friend Sri Mallaradhya will take it a little further. I will just touch it and leave it. Have we not the right to it even according to the Government of India's original scheme and plan? Was it not the right of Mysore to have the raw film industry? Would that industry not have survived profitably if it had been started in Mysore?

SRI M. C. NARASIMHAN.—For that the Mysore Government is responsible.

SRI V. P. DEENADAYALU NAIDU.—That is a different matter. I am only thinking of how certain interests play...

SRI J. B. MALLARADHYA.—Sir, the Government of Mysore is not responsible for its going out.

SRI V. P. DEENADAYALU NAIDU.—That is why I am not touching these controversial aspects. I am only con-

cerned with this commission. At times, what is the factor which is brought into consideration? Is it the scientific approach or influential consideration to the very detriment of that industry? Therefore, even now it is not too late.

Sri M. C. NARASIMHAN.—Is it that the present site at Ootacamund is not properly selected or is there no scientific approach?

Sri J. B. MALLARADHYA.—My friend Sri Narasimhan seems to be under the impression that Ooty was ideally suited for the location of the raw-film industry. I would like to mention on this occasion that today I have in my possession the original of a certificate given by Mr. representative of the A.G.F.A. delegation, who said that K.R.S. is the most ideally suited place. I do not want to make any more comments.

Sri M. C. NARASIMHAN.—I know full well that this report was submitted.

In fact, I was one of the persons who raised this matter for discussion in the 1957 Budget Session. But at that time, it was suggested by the ex-Chief Minister that adequate steps were not taken by the Government in respect of this matter. It is only in that light that I suggested. My point is whether it was or was not scientific. In the matter of the selection of the site, whether the Government have not approached the matter scientifically?

Mr. DEPUTY SPEAKER.—The House will adjourn now and meet tomorrow at 1 P.M.

The House adjourned at Fifty Minutes past Five of the Clock to meet again at One of the Clock on Tuesday, the 18th November 1958.
